

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF VERMONT

ALICE H. ALLEN, et al.,

Plaintiffs,

v.

DAIRY FARMERS OF AMERICA, INC.,  
DAIRY MARKETING SERVICES, LLC,  
and DEAN FOODS COMPANY,

Defendants.

Civil Action No. 5:09-CV-00230

**DECLARATION OF LOUIS ARAGI, JR IN SUPPORT OF MOTION TO INTERVENE  
AND OBJECTION TO APPROVAL OF PROPOSED CLASS SETTLEMENT**

I, Louis Aragi, Jr., make the following declaration based upon personal knowledge of the matters set forth here.

1. I was born and raised on a dairy farm and my family has been farming for several generations. My father and I formed a farming partnership in 1988 called the Pine Island Partnership. Our farming operations are spread across three states. Our home farm, where all of our milking takes place, is in Sheffield, Massachusetts and is conveniently located close to Route 7. We also lease farms in Connecticut and New York where we grow crops and house young stock.

2. When my father and grandfather were operating the farm in the 60s and 70s, they milked approximately 55-65 cows. From the mid-1980's through the early 2000's we grew to over 700 milking cows but scaled back in 2006 during a severe downturn in milk prices. We currently have approximately 1000 total animals and farm approximately 1,100 acres of land.

3. We produce approximately 10,800,000 lbs of milk each year and are the largest producer in Massachusetts. Our milk is picked up every other day and is shipped to Dean plants in Connecticut. All of our milk is pooled in Federal Order 1.

4. We are a member of the Dairy Farmers of America Cooperative ("DFA") and have been since it was formed. I serve as a delegate for our area and attend the DFA annual meeting held in Kansas City.

5. We were independent for a short period of time and shipped all of our milk to a nearby processor. That experience highlights why I prefer to be in a coop. When a farm depends on a single buyer for its milk, the farmer is at a disadvantage. First, the producer may reject a load of milk because it is at capacity. As a member of a coop, this risk is greatly reduced because there are other buyers for the milk. Second, a single buyer may pay less for a farmer's milk based on arbitrary or inaccurate quality testing. Coops eliminate that risk by providing independent testing to ensure that its members are fairly treated.

6. I believe that DFA (and coops in general) have also been instrumental in getting higher prices and quality premiums for its members. In addition to higher prices, coops also help to greatly reduce costs by pooling resources of the farmers which reduces hauling and other major expenses. Further, coops provide valuable services such as group buying discounts on farm supplies such as Eagle Dairy, insurance and financial services such as Agramax.

7. I also think that coops help farmers through lobbying at the state and national level and in works with the Market Administrator to make changes that help dairy farmers and also provide valuable information on the industry which helps me to make business decisions regarding my farm.

8. In sum, I believe that DFA and other coops are acting in the best interest of their

member farmers and that coops have resulted in better financial results for the farmers.

9. I have read Dean's Proposed Settlement with the Plaintiffs in this lawsuit and do not think that this is in the best interest of any dairy farmers.

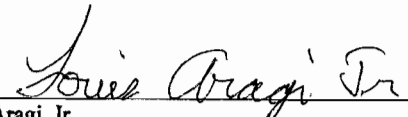
10. By requiring Dean to offer to buy up to 60 million pounds of raw milk a month from DMS, we will be forced to find another buyer for that milk. That milk is not necessarily going to go at Class I prices and may get dumped for powder at the lowest price which will result in lower revenues for members of the coop. In addition, Dean will almost certainly pay less for those 60 million pounds from independents and then use that as leverage to lower the price for the milk that it does buy through DMS. The end result again is lower prices for all dairy farmers.

11. The money that Dean is proposing to pay will not make up for the harm that this deal can cause to the milk market in lower prices. If prices go down by even 5¢ cwt, our farm will lose \$5400 per year in revenue. A one time payment, even if it's more than the proposed average of \$2500, is not worth the long term harm that we will suffer.

12. The lawyers who negotiated this settlement do not represent my interests because, if they did, they would know that this deal will hurt milk prices for me and weaken DFA and other coops, which I support.

13.

I declare under penalty of perjury that the foregoing is true and correct and that this Declaration was executed on January, 17, 2011, in \_\_\_\_\_.

  
Louis Aragi, Jr.